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June 4, 2009

Qubad Tabbary (Talabary)
KRG Representation in the USA
1634 Eye St., NW, Suite 210
Washington DC 20006
Phone: +1 202 637 2496

Fax: +1 202 637 2723

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Dear Mr. Talibany:

(Talabany)

We are delighted to provide public relations services to Kurdistan Regional Government ("Client"). In this letter we describe the terms of our arrangement with you as we begin our representation. "We," "us," and "our" refer to Qorvis Communications, LLC, and "you" and "yours" refer to Client. For ease of reference, we have numbered the remaining paragraphs.

1. As your public relations firm, we will provide integrated communications services for Client in the United States in connection with the Client's matter. Matt J. Lauer will be the day to day contact for the account. He will be supported with a team of individuals necessary to work toward agreed upon goals. The account will be overseen by Michael Petruzzello as partner in charge. Qurvis will notify Client if any other client of Qurvis poses any conflicts to the Kurdistan Regional Government. We will notify Client if staff changes are necessary to support the account.



- 2. This agreement begins June 15, 2009, and, unless otherwise terminated with written 90-day notice beforehand, ends June 15, 2010. After June 15, 2010, this agreement will extend on a quarterly basis, and will renew automatically each quarter thereafter unless terminated as described herein. At any time during which it is in effect, this agreement may be terminated 90 days after written notice of termination to the other party. You will remain liable for all fees and expenses accumulated through the date of termination. Farties agree that each year this Agreement is extended; the annual contract value shall increase by a minimum of 5%.
- 3. You agree you have secured commitment of Client to pay the amounts as set forth below and have authority of Client to enter into this letter agreement and the payment terms described below. We will bill you as follows:

- a) Retainer payments of Forty Thousand Dollars (\$40,000.00) per month. We will bill by calendar month, with the first and last partial months prorated. These retainer payments shall be made regardless of whether or not you direct that the services set forth in the attached proposal be rendered in consideration of the resources dedicated to this project in reliance on your commitments herein.
- b) Any extraordinary out of pocket expenses such as expenses for advertising, production, printing and travel and based on estimates previously supplied to you and approved in advance will be billed monthly. Additionally, it is our policy to invoice Client an additional 7.0% of the program fees to reimburse us for the cost of local and long-distance telephone, facsimile, reproduction costs and other similar out-of-pocket expenses that Qorvis incurs on Client's behalf.
- c) Copies of our bills will be sent directly to Client, who may pay us directly using any of the following means:

Electronic payments:

M&T Bank

Communications

One M&T Plaza, 2nd Floor

Buffalo, NY 14203

Qorvis Communications
ABA#

ABA#

Check payments:

Qorvis Communications

PO Box 62081

Baltimore, MD 21264

Overnight check payments:

Qorvis

Attn: Laura Wert

1201 Connecticut Ave. F/C

Suite 600

Washington, DC 20036

Time is of the essence for the payment obligations becomed. Payment on all invoices is durthirty (30) days from the date of the invoice. We reserve the right to charge 1.5% interest on all late payments.

- 4. After we have issued material to the news media or to another third party, its use is no longer under our control. We cannot assure the use of news material by any news organization. Similarly, we cannot control the form or manner of use by the news media or others of the material, including, but not limited to, the accurate presentation of information supplied by us.
- 5. You will not request, and nothing in this agreement shall be deemed to require that we undertake any campaign, prepare any materials or publicity, or cause publication of any copy or article which, in our judgment, would be untrue, indecent, libelous, unlawful, or otherwise prejudicial to your interest or ours. Similarly, nothing in this agreement shall be construed as committing us to violate any lawful contractual commitments to the media or others.
- 6.It is agreed that Client will indomnify us against any loss or expenditure (including reasonable attorneys' fees and costs) that we may incur as the result of any claim, suit or proceeding made or brought against us to the extent caused by Client's (or anyone acting on behalf of or directing Client) negligent acts, errors or omissions, gross negligence, or willful misconduct or arising out of or related to any services, materials, or publicity prepared for Client by us and approved Client

or auyone acting on behalf of Client. Provided, however, that in no case shall Client be obligated to indomnify us for losses or expenditures which, in the aggregate, exceed One Million Dollars (\$1,000,000.00). In addition, Client will indemnify us for all loss, cost or expenditure (including reasonable attorneys' fees and costs) incurred: (1) in enforcing the terms and conditions of this contract and/or (2) arising out of us being subpoenaed as a witness or to produce documents in any action to which it is a party. The obligation to indemnify us hereunder shall include, without limitation, paying Qorvis for any and all personnel time incurred in connection with any such claim, suit, proceeding or subpoena based upon our standard hourly rates. The duties to indemnify us shall not terminate with the cancellation of this contract. We shall accept Client's choice of legal counsel and shall not be entitled to separate legal counsel except at our own expense. Client agrees to waive subrogation rights against us.

- 7. It is agreed that Qorvis will indemnify Client against any loss or expenditure (including reasonable attorneys) fees and costs) that Client may incur as the result of any claim, suit or proceeding made or brought against Client which arises directly out of the negligent acts, errors, omissions, gross negligence or willful misconduct of Qorvis, provided that in no case shall we be obligated to indemnify Client for losses or expenditures which, in the aggregate, exceed One Million Dollars (\$1,000,000.00). We will not be liable for indirect, special, or consequential damages, including, but not limited to lost profits, lost business, and loss of use. Client shall select legal counsel and Qorvis shall approve Client's choice of legal counsel and shall not be entitled to separate legal counsel except at its own expense.
- 8. You agree that during the term in which we provide services to you and Client and for a period of twelve (12) months thereafter, you and Client will not solicit or induce any employee of Qorvis to leave his or her employment with Qorvis, or hite any such employee or request or advise any other client of Qorvis to withdraw, curtail or cancel its business with Qorvis except to the extent you or Client are required to do so under the laws of the United States.
- 9. YOU AGREE THAT REGARDLESS OF ANY STATUTE OR LAW TO THE CONTRARY, ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY OF OUR SERVICES MUST BE FILED WITHIN ONE (1) YEAR AFTER SUCH CLAIM OR CAUSE OF ACTION AROSE OR SUCH CLAIM SHALL BE FOREVER BARRED. WE EXPRESSLY DISCLAIM ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT.
- 10. Client agrees to allow the use of the Client's name for Qorvis's general marketing purposes, such as in a listing among clients in a new client press release or in such a listing on the Qorvis's website, in advance of the use of such materials and upon written approval by Client. Client agrees that approval by electronic mall constitutes written approval for this paragraph.

This letter agreement supersedes any other agreement, written or oral, pertaining to the attached proposal between Qorvis and Client. If you have any questions about this letter of agreement, please call. We are very enthusiastic about this new assignment and confident of our ability to do the job. We look forward to working with you.

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Sincerely,

By: Qorvis Communications, LLC

Esther T Smith

Partner

Date

CLIEN

By:

by and on behalf of Client

Title: QUBAD TALABANY, RERRESENTATIVE TO THE US

Date 6 3 09